

For Immediate Release  
December 1, 2010

*Washington*—Last night, the House of Representatives unanimously passed H.R. 6398, a bill authored by U.S. Congressman Lloyd Doggett (D-Texas) to continue full FDIC protection for Interest on Lawyers Trust Accounts (IOLTA). When an attorney receives funds for use on behalf of a client, those funds are normally placed in a trust account at a financial institution. Many years ago, leaders in the legal community determined that interest could be earned on such accounts and applied to finance legal services for those, who otherwise would have no access to our justice system. For decades, revenue from these Interest on Lawyers Trust Accounts, called IOLTAs for short, have provided a key funding source for legal assistance in all 50 states. This bill continues full FDIC protection for these trust accounts. This protection, which exists today, would otherwise have expired at the end of this year, when prior law is to be replaced by the extensive new Wall Street reform law. The bill extends existing FDIC protection into the future. The Senate must now act.

**“It is these interest bearing trust accounts that currently finance legal services for those who need it most—veterans who have served honorably, domestic violence victims, and persons with disabilities,”** said Rep. Doggett. **“This bill is supported by a broad range of groups, including the Independent Community Bankers Association and the American Bar Association. This protection also ensures that small independent banks are on a level playing field with their larger competitors in securing trust fund deposits.”**

Video of Rep. Doggett’s remarks on the floor of the House are available by [clicking here](#).